



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

June 23, 2005

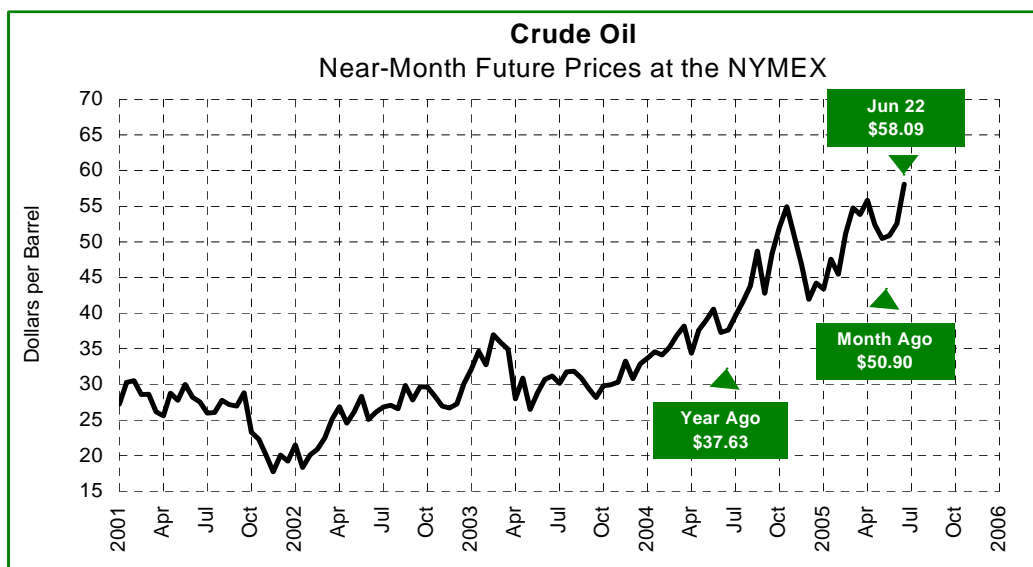
Crude Oil

On June 22, NYMEX crude oil futures settled at \$58.09, an increase of \$7.19 per barrel compared to last month and \$20.46 or 54% higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>06-22-05</u>	<u>05-25-05</u>	<u>change</u>	<u>06-21-04</u>	<u>change</u>
NYMEX	\$58.09	\$50.90	up 14%	\$37.63	up 54%

- NYMEX futures crude oil prices settled at \$58.09 per barrel on June 2, easing off of record highs set on Tuesday, June 21, in response to concerns of limited refining capacity and rising demand worldwide for gasoline and diesel. The July contract reached a record high of \$59.37 on June 21.
- Supporting the nearly \$60 per barrel crude prices are increasing demand for transportation fuel production. U.S. distillate demand is nearly 7 percent higher than last year and is growing faster than gasoline demand, which is only 2.5 percent higher than last year. Distillate demand is strong in Europe where a significant percentage of new vehicles are diesel-powered, and in China where overall demand has been growing significantly, distillate demand is twice that for gasoline.
- The Energy Department inventory report for the week ended June 17 showed another draw in crude inventories of 1.6 million barrels.



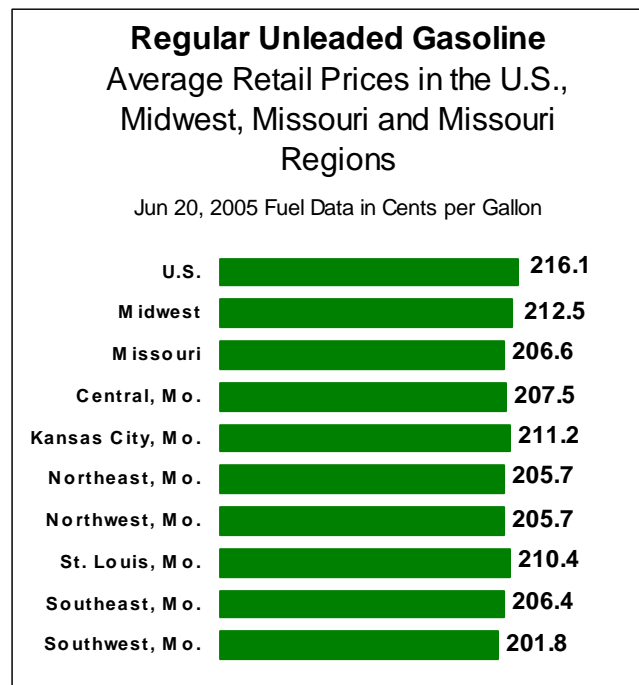
Transportation Fuels

On June 20, Missouri's average retail price for regular unleaded gasoline was nearly \$2.07 per gallon, an increase of almost \$0.14 per gallon compared to last month and average diesel prices were \$2.25, an increase of more than \$0.18 from last month.

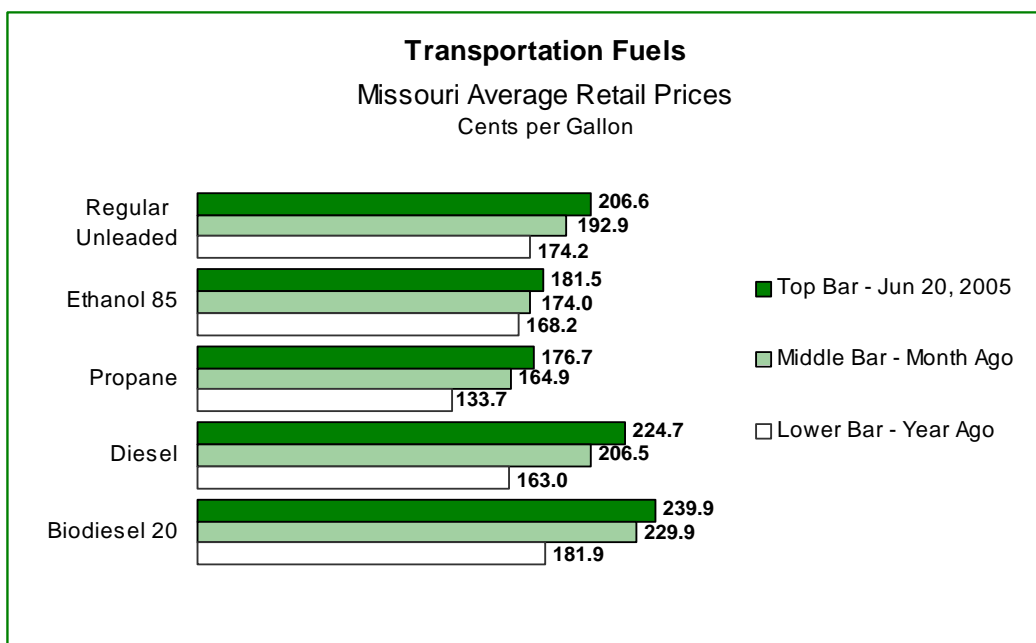
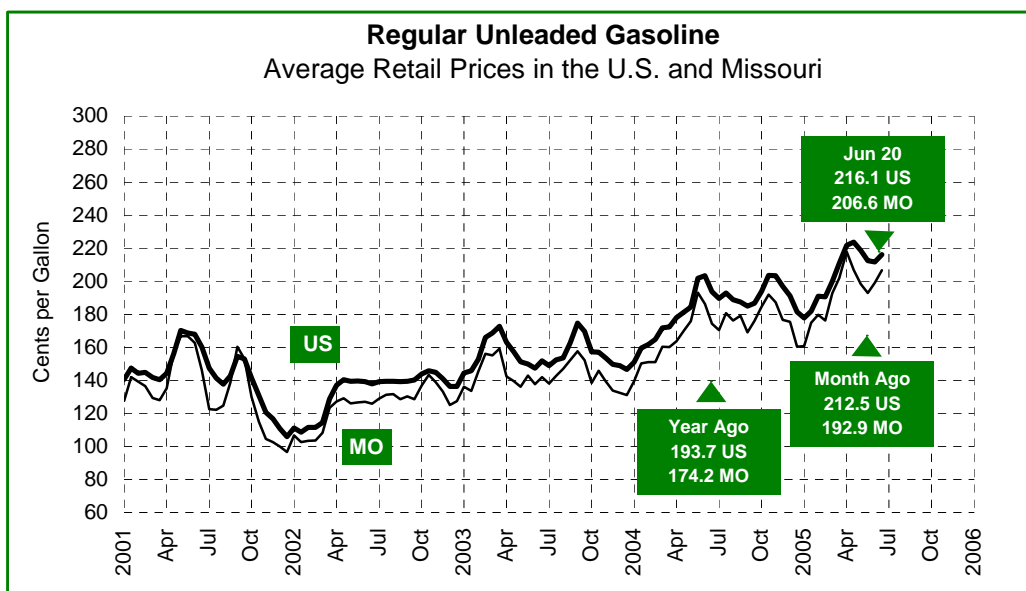
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>06-20-05</u>	<u>05-23-05</u>	<u>change</u>	<u>06-21-04</u>	<u>change</u>
US	216.1	212.5	up 2%	193.7	up 12%
Missouri	206.6	192.9	up 7%	174.2	up 19%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>06-20-05</u>	<u>05-23-05</u>	<u>change</u>	<u>06-21-04</u>	<u>change</u>
Missouri	224.7	206.5	up 9%	163.0	up 38%

- Retail gasoline prices in Missouri stood at nearly \$2.07 per gallon on June 20, an increase of almost \$0.14 per gallon compared to last month and \$0.32 per gallon, or 19 percent more than in June 2004. The average U.S. retail price for regular gasoline increased this week by 3.1 cents from the prior week to \$2.16 per gallon. Prices increased throughout the country with the largest regional increase of 4.3 cents occurring in the Midwest and reaching 212.5 cents per gallon.



- The average retail price for diesel fuel in Missouri was \$2.25 per gallon on June 20, an increase of more than \$0.18 from last month and nearly \$0.62 per gallon, or 38 percent, higher than this time last year. U.S. retail diesel fuel prices also increased to 231.3 cents per gallon, slightly below the all-time high of 231.6 cents per gallon reached on April 11, 2005.



<i>Motor Gasoline - Total Stocks (millions of barrels)</i>					
	<u>06-17-05</u>	<u>05-20-05</u>	<u>change</u>	<u>06-18-04</u>	<u>change</u>
US	215.9	215.4	up 1%	205.1	up 5%

- Distillate production (which includes heating oil, diesel and jet fuel) has been at historically high levels as refiners try to capitalize on the price differential between distillates and gasoline. Distillate inventories rose for the fifth consecutive week, this time by 1.3 million barrels. For the week ending June 17, gasoline stocks rose by 200,000 barrels to 215.9 million barrels. Refineries are currently running at 95 percent of capacity.

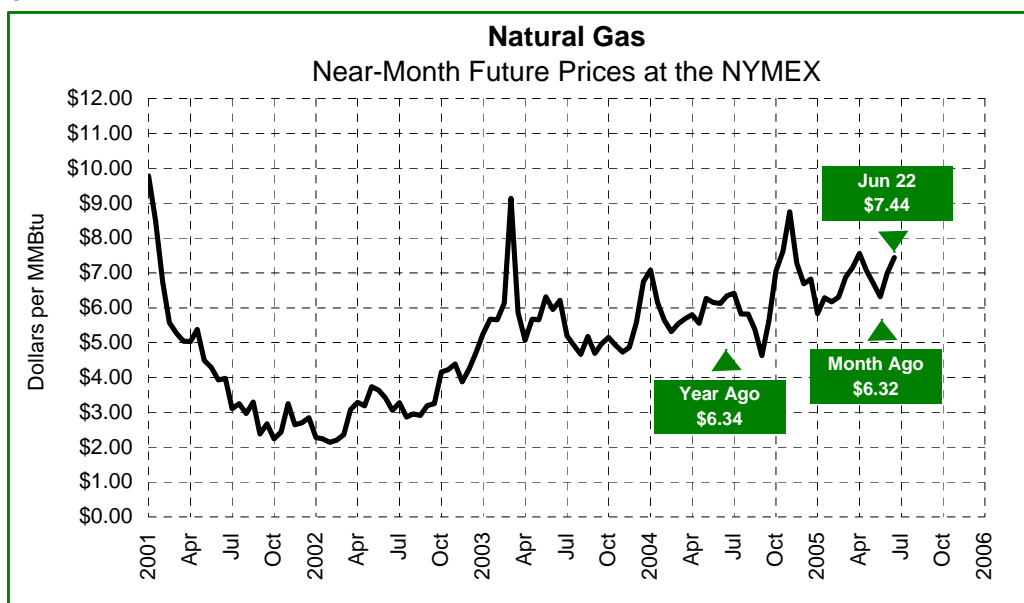
Natural Gas

Approximately 56 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On June 22, natural gas futures closed at \$7.44 per MMBtu, an increase of \$1.12 since last month and \$1.10 or 17% higher than this time last year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	<u>06-22-05</u>	<u>05-25-05</u>	<u>change</u>	<u>06-21-04</u>	<u>change</u>
NYMEX	\$7.44	\$6.32	up 18%	\$6.34	up 17%

- According to the EIA, natural gas spot prices at most market locations in the Lower 48 States, with the exception of the Gulf of Mexico and Northeast regions, increased more than 30 cents per MMBtu. Increasing crude oil prices and continued warm weather in most regions of the Lower 48 States likely contributed to the natural gas prices.
- According to the EIA *Weekly Natural Gas Storage Report*, working gas in storage was 2,031 Bcf as of Friday, June 17, 2005. The current storage level is approximately 15 percent above the 5-year average.



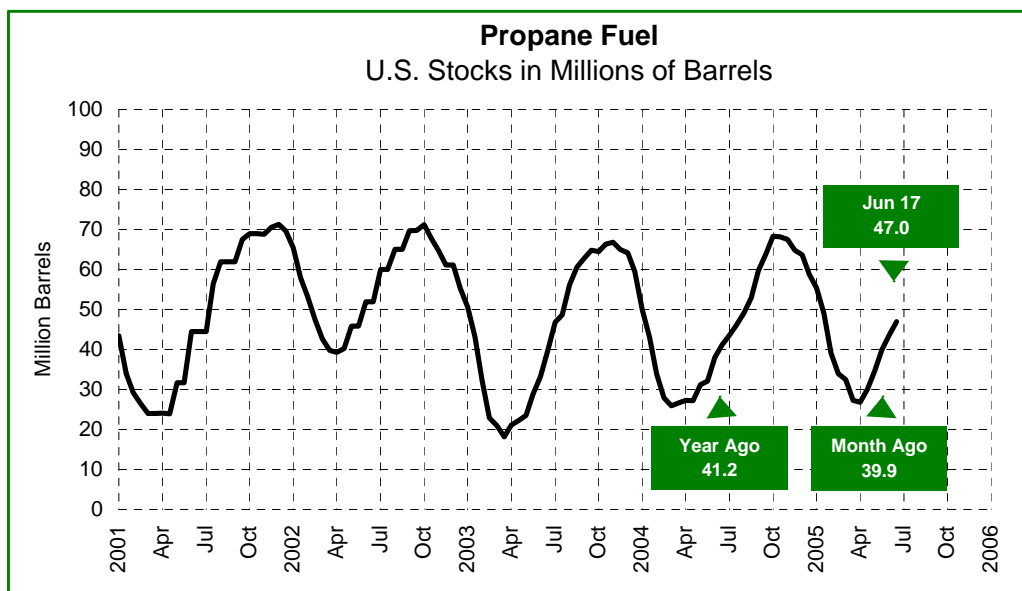
Propane

Approximately 13 percent (293,803) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

Missouri's average retail propane price was \$1.41 per gallon on June 6, down \$0.04 from a month ago, but \$0.25 or 22 percent higher than a year ago.

Propane - Residential Prices (cents per gallon)					
	<u>06-06-05</u>	<u>05-09-05</u>	<u>change</u>	<u>06-07-04</u>	<u>change</u>
Missouri	141.0	145.0	down 3%	115.8	up 22%

- U.S. propane supplies increased 0.9 million barrels, placing the nation's propane supplies at an estimated 47 million barrels as of June 17, 2005. Midwest supplies grew by 0.2 million barrels to 15.7 million barrels. Midwest supplies are 1.15 million barrels lower than the 16.8 million barrels reported at this time last year. U.S. and Midwest supplies of propane remain in the average range.



Missouri Energy Outlook – Summer 2005

The Missouri Energy Outlook, an energy resource analysis reviewing prices and availability of energy in Missouri over the summer months was released on June 15 by the Missouri Department of Natural Resources' Energy Center. The Missouri Energy Outlook is available online at the department's Web site at <http://www.dnr.mo.gov/energy/energyoutlooksummer2005.pdf>, or copies may be obtained by calling the Missouri Department of Natural Resources' Energy Center at (573) 751-3443 or the department toll free at (800) 361-4827.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

For more information, contact: MO Dept. of Natural Resources, Energy Center, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: (573) 751-3443; Fax: (573) 751-6860; E-mail: energy@dnr.mo.gov; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm